



2007-2009 Building for the Arts (BFA) Grant Guidelines

COMPETITIVE GRANT PROGRAMS:

- Building for the Arts ■
- Community Services Facilities ■
- Youth Recreational Facilities ■

OTHER GRANT PROGRAMS:

- Local Capital Projects ■
- Local / Community Projects ■
- Jobs In Communities ■

Up to \$1 million for arts and cultural facilities
As much as 20 percent state match of eligible project costs

Application Deadline: Friday, May 5, 2006 at 5 p.m.

High-performance building workshops:
Thursday, March 30, 2006 in Moses Lake and
Friday, March 31 in Olympia (see Page 19)

Grant application workshops:
Monday, April 3, 2006 in Seattle and
Thursday, April 6 in Moses Lake (see back page for details)

Join our listserv:
<http://listserv.wa.gov/archives/capital-programs.html>

CTED Capital Programs

P.O. Box 42525
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www.cted.wa.gov/CapitalPrograms



STATE OF WASHINGTON

DEPARTMENT OF COMMUNITY, TRADE AND ECONOMIC DEVELOPMENT
906 Columbia St. SW • PO Box 42525 • Olympia, Washington 98504-2525 • 360/725-3020

Dear Reader:

We are excited to begin the ninth grant cycle of Building for the Arts (BFA). This program has helped to make arts and cultural facilities more accessible and enjoyable throughout the state. Since its inception in 1991, we have awarded more than \$46 million in construction grants to nonprofit organizations. In addition, BFA has served as a model for several other state grant programs.

The citizen advisory board that ranks BFA grant applications is painfully familiar with the budgetary and management pressures faced by today's nonprofits. That's why we have strived to keep the application process as streamlined and user-friendly as possible. Although the new application form (posted on our website) is similar to the one used in the last grant cycle, it has been updated to address some significant changes in state law and administrative procedures (these are summarized on Page 3).

The number and complexity of contracts that CTED Capital Programs administers continues to grow, and so we've reconfigured our staffing. Michael Kendall and Steven Salmi are the new lead contacts for the BFA program, but feel free to talk with me as well (see Page 3 for contact info). Given all of our policy changes, before submitting an application I'd strongly encourage you to join our listserv, attend a grant application and high-performance building workshop, and discuss your project with our staff. We look forward to helping you achieve your facility-development goals.

With Best Regards,

Daniel Aarthun, Manager
CTED Capital Programs

PS: If you are unsure about whether to apply for a BFA grant, be sure to contact us. We may be able to suggest creative ways to align your goals with our rules and procedures.

POLICY CHANGES FOR 2007-2009

Award cap may be lifted above \$1 million

Proposed changes in the state budget have raised the possibility of increasing the maximum BFA award. The BFA Advisory Board is exploring options to help grantees adjust to the potential added costs of policy changes listed below. Any changes will be announced on our website and listserv (the addresses are on the right).

State prevailing wages may be required of your project

As a result of a recent court ruling, construction and renovation projects will be required to pay state prevailing wages. *See 3.8 on Page 15*

Many grantees may need to meet LEED silver standard

A new law requires compliance with high-performance building standards, but there are two types of exemptions. You may apply for an exemption *before* submitting a grant application. *See 1.5 on Page 8*

Archeological review may be required for some projects

Construction projects that disturb ground and/or involve facilities more than 50 years old may be reviewed by a state agency. *See 3.7 on Page 15*

We've clarified our rules on partnerships

There must be a lead organization that applies for a BFA grant. Only in under-represented areas can the applicant be either a fundraising nonprofit or a nonprofit dedicated primarily to arts-related or cultural purposes. *See 1.2 on Page 6*

Project management expenses no longer reimbursable

Grantees may be reimbursed for costs directly related to construction management, but not for project management costs. *See 3.14 on Page 16*

Limits placed on loans and volunteer labor

We have capped the amounts that can be applied to our "percentage of funds raised" calculation used to help rank applications. *See box on Page 12*

CTED Capital Programs

*Department of Community, Trade and
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SEVEN STEPS TO GETTING A GRANT

STEP 1: *Decide whether you are eligible — and ready to apply*

This is a highly competitive grant program. So before starting to write your grant application we strongly encourage you do your homework (see boxes on pages 6 and 13). Also take a look at our timeline for awarding funds to make sure that it fits with your cash-flow needs (see Page 7).

STEP 2: *Decide whether to seek LEED certification or an exemption*

If you wish to apply for an exemption you can do so at any point between now and when grant applications are due. If you apply for an exemption soon, you can find out whether your request is accepted before deciding whether to prepare a grant application (see 1.5 on Page 8). You and your design team may find our high-performance building workshops useful whether or not you seek LEED certification (see Page 19).

STEP 3: *Complete your application packet*

Your chances of success in obtaining a grant are heightened by following all instructions for putting your application packet together. You can download an application template from our website (www.cted.wa.gov/CapitalPrograms).

STEP 4: *Discuss your project with our advisory board*

Applicants whose projects make it past a preliminary staff review will be invited to testify before the BFA Advisory Board (see 2.7 on Page 12).

STEP 5: *Negotiate a contract*

If the board recommends your project for funding and it is included in the 2007-2009 Capital Budget signed into law, CTED Capital Programs will draft a contract with your organization before disbursing the funds. See pages 14-16 for contracting requirements . . . some of which you should start thinking about now.

STEP 6: *Submit reimbursement materials*

This is a reimbursement-style grant. That means no advance payments (see 3.2 on Page 14), but we've worked hard to make the paperwork straightforward. Funds will likely become available by September 2007 (see 3.4 on Page 14).

STEP 7: *Close out your contract*

After you have received all of your grant funds, you will need to do a few fairly painless tasks, such as installing a plaque and filling out a short close-out report. We may also conduct a site monitoring visit (see 3.9 on Page 15).

We have a strong commitment to supporting smaller facilities and those serving rural parts of the state. If you aren't sure about whether to apply for a BFA grant, don't feel shy about talking to us. We're here to help you succeed!

This publication is available in an alternative format upon request. Events sponsored by CTED are accessible to persons with disabilities. Accommodations may be arranged with a minimum of 10 working days notice by calling 360/725-3020.

PART 1: PROGRAM BACKGROUND

1.1 Program purpose

Building for the Arts (BFA) awards state grants to nonprofit organizations to defray up to 20 percent of eligible capital costs for the acquisition and *major* new construction or renovation of performing arts, art museum, and cultural facilities.

The maximum grant award for the 2007-2009 Biennium is \$1 million.* *There is no minimum grant award amount.* The BFA Advisory Board, which ranks grant applications, reserves the right to modify the amount of any request for funding.

Minor works such as general maintenance and repairs,** American with Disabilities Act (ADA) upgrades, theater sound and lighting equipment, or public art displays or works of art will not be funded as stand-alone projects. These improvements will be considered as part of a major facility development or renovation project.

Acquisition of bare land must be accompanied by the construction of a usable facility to be an eligible project.

BFA is a state program funded entirely through the sale of state bonds. No federal dollars are involved. This program operates under RCW 43.63A.750. For statutory language go to www.leg.wa.gov/rcw/

1.2 Who may apply

All facilities funded by BFA must be dedicated primarily to arts-related purposes (see right sidebar for definition). In addition, applicants must meet the following eligibility standards *at the time the application is submitted*:

- be registered in the state of Washington as a nonprofit organization;
- possess a current or advance ruling 501(c)3 Internal Revenue Service registration;
- have a legally constituted board of directors;
- be a nonprofit dedicated primarily to an arts-related or cultural purpose (see “partnerships” section below for an exception to this rule);
- have control of the project site via ownership or long-term lease (five years minimum with a renewal option);
- demonstrate significant public access to the facility;
- agree to enter the LEED certification process or receive an exemption from us (see 1.5 on Page 8); and
- have made substantial progress in an active capital fundraising campaign dedicated to the project, or have secured all funding needed to complete the project.

Are seconds allowed? Facilities that have previously received a BFA

WHAT'S AN ARTS-RELATED PROJECT?

It must involve the construction, renovation or acquisition of facilities that focus on the active interpretation, performance, or exhibition of aesthetic traditions, practices, or works of art that characterize cultural values.

** At press time, proposed changes in the state budget have raised the possibility of an increase in the BFA award cap. We will announce any changes on our listserv and website.*

*** An aggregation of ordinary maintenance items does **not** constitute a bondable project regardless of cost, and is therefore not considered a major capital project eligible for BFA funds.*

BFA and state Historical Society grants

The state Historical Society awards construction grants to some organizations that may also be eligible for BFA funding. You can submit an application to each program, but cannot receive grants from both during the same biennium. If you accept a Historical Society grant over a BFA grant for the 2007-2009 Biennium, you may reapply to us two years from now for eligible costs incurred after June 30, 2006. However, you cannot use other state funding sources as part of your BFA match requirement (see 3.3 on Page 14).

If you are unsure about how any of these rules apply to your specific project, be sure to talk to CTED Capital Programs staff before submitting an application.

** State agencies may not be a significant beneficiary of the resulting facility. This is because they have greater access to state dollars than local jurisdictions and nonprofits.*

grant are not eligible for additional funding unless:

- the project's scope of work has significantly changed and BFA funds have not yet been drawn down; or

- what is proposed is a different project, or a discrete new phase of the previous project.

Community centers are not eligible for funding. We define community centers as facilities *primarily* used for a diverse range of social activities rather than for artistic or cultural purposes.

In other words, your project is eligible for BFA funding only if arts-related and cultural activities represent the dominant use of the facility, e.g., in terms of square footage, usage patterns, and/or the presence of specialized equipment and facility design features.

Partnerships will be considered, but one of the parties must be designated as the lead agency and submit the application on behalf of the partnership.

The applicant must be a 501(c)3 nonprofit organization that is primarily dedicated to arts-related activities — with one exception. For projects in under-represented areas (geographically

isolated or economically disadvantaged), the BFA Advisory Board will consider applications from nonprofit foundations qualified to raise funds for an otherwise ineligible organization.

For example, the applicant could be a foundation working in partnership with a tribe, or a governmental entity such as a school district or a public development authority.*

All partnerships must provide a copy of an executed joint-operating agreement that:

- guarantees a minimum of 50 percent usage by community nonprofit arts organizations;

- establishes which party has authority to set the facility's schedule; and

- contains a contingency plan to address the possibility of dissolution or other change of ownership, with the objective being to protect public funds.

Public-nonprofit partnerships can be valuable in developing and sustaining arts and cultural facilities, particularly in under-represented areas. However, this grant program's legislative intent is to fund nonprofit organizations, which do not have the taxing and bonding au-

Four ways to do your homework

1. **Carefully read the program guidelines.** We strongly recommend that you take the applicant readiness self-assessment on pages 17-18.
2. **Attend our workshops.** We offer BFA grant application workshops (see back page), and high-performance building workshops (see Page 19).
3. **Contact CTED Capital Programs staff.** Michael Kendall and Steve Salmi are the lead contacts for BFA (see Page 3 for contact info). They can give you feedback about your project's potential competitiveness and offer suggestions for developing the best possible application. Email is usually ideal for an initial inquiry; include with your questions a brief (no more than one page) but thorough project summary. We have a small staff and respond to queries on a first-come, first-served basis.
4. **Sign up for our listserv.** You'll get news and advice on applying for all of our competitive grants. Go to: <http://listserv.wa.gov/archives/capital-programs.html>

thority of governmental entities. Public-nonprofit partnerships will thus be assessed for whether their project will primarily benefit the community at large rather than the participating public agency's clients or students. These partnerships must also demonstrate financial need.

Mixed-use facilities may be considered, but these projects will be funded at 20 percent of the eligible capital cost of the arts-related component only.

If your facility is eligible for more than one of our competitive grant programs, please note that you may only submit one application per project.

For example, if you are building a facility that includes a performing arts hall, social services, and an after-school youth center, you'll need to choose between applying for a BFA grant or one from our Community Services Facilities and Youth Recreational Facilities programs (see our website for details on these other funding sources).

1.3 Dates to remember

The BFA program operates on a bi-

ennial (two-year) grant cycle.

Awardees may not begin receiving their funds until September 2007 (see dates below). Applicants should be cautious in using these dates for cash-flow planning purposes (see 3.4 on Page 14). In addition, grantees cannot get access to their funds until all requirements have been met (see 3.5 on Page 14).

1.4 What's an ideal project?

Successful projects display:

- a compelling community need for public assistance;
- a cost-effective response to the need or an opportunity that has been identified by the applicant and is supported by relevant stakeholders;
- a clear and feasible plan for completing the proposed facility and maintaining its operation into the foreseeable future; and
- credible evidence that the results will be commensurate to the amount of public funds requested.

This is a highly competitive grant program, so you are encouraged to do your homework (see box on Page 6).

If your facility is eligible for more than one of our three competitive grants, please note that you may only submit one application per project.

2007-2009 BFA GRANT DATES	
High-performance building workshops (east/west)	March 30 and 31, 2006
BFA grant application workshops (east/west)	April 6 and 3, 2006
Applications due (no exceptions)	May 5, 2006 at 5 p.m.
Notification of preliminary review results	Early June, 2006
BFA Advisory Board work session	June 22-23, 2006
Recommendations forwarded to governor	September 2006 (estimated)
Governor releases proposed capital budget	December 2006 (estimated)
2007-2009 Capital Budget signed into law	June 2007 (estimated)
CTED Capital Programs may begin disbursing funds	September 2007 (estimated)
Expiration of funds without legislative action	June 30, 2009

If you think this requirement poses a genuine hardship for your project, please don't give up on applying for a BFA grant without talking to us.

See Page 19 for details on our free high-performance building workshops.

1.5 New law seeks high-performance buildings

The 2005 Washington State Legislature passed a law that may require many of our competitive grant recipients to comply with what has been termed “high-performance” or “green” building standards (RCW 39.35D).

The legislation’s goal is for major capital facilities projects receiving state dollars to be built to the LEED silver standard where “practicable.” LEED (which stands for Leadership in Energy and Environmental Design) is a certification program run by the U.S. Green Building Council.

According to the American Institute of Architects, high-performance buildings are cheaper to operate, save water and energy, and improve worker performance.

These building principles offer the most savings when incorporated early in the design process. That’s why ***we strongly encourage you to talk with your architect as soon as possible.***

The first issue you may wish to explore is whether your project is required to meet the LEED silver standard. The law offers two types of exemptions.

Exemption 1: Facility types

The following types of facilities are exempt:

- New construction less than 5,000 gross square feet of occupied or conditioned space as defined by the State Energy Code;
- Renovation projects whose costs are less than 50 percent of the facility’s assessed value *and* are less than 5,000 gross square feet of occupied or conditioned space; or
- Facilities such as hospitals; research facilities primarily used for laboratory experimentation, research, or training in research methods; or similar building types.

Exemption 2: “Not practicable”

We may exempt applicants who demonstrate that it would be “not practicable” to meet the LEED silver standard. We are not permitted to offer this exemption solely because of cost, but may for timing-related issues.

Pre-application exemption requests

You don’t need to wait until you turn in a grant application to find out if your project will be exempted. Our website has an exemption request form that you and your architect fill out. We will quickly let you know if your exemption request is approved.

Checklist gives you bonus points

Everyone who submits a grant application is required to fill out a “High-Performance Building Checklist,” either as part of your application or when you submit an exemption request. Your architect fills out the checklist — which is similar to the LEED-NC version 2.2 project checklist — and certifies that it accurately reflects your project’s design goals.

For every point you earn on the checklist you will receive one fourth of a bonus point in our grant application scoring criteria, up to 10 points. For example, if you received 20 points on your checklist, your score would be increased by five bonus points.

Visit our web page and talk to us

We’ve created a web page devoted to this new requirement. There you’ll find all of the needed forms, sources of technical information, and links to grant opportunities that may help you cover extra up-front costs.

We recognize that this new requirement may pose a hardship for some. If that is the case with your project, don’t give up on applying for a BFA grant without talking to us first.

1.6 Program history

In 1991 the Corporate Council for the Arts (now called Artsfund) proposed the creation of Building for the Arts to coordinate the many requests the state Legislature receives for support of arts-related capital projects. BFA has awarded more than \$46 million in projects to nonprofit organizations throughout the state. The following tables list the appropriations for the last five biennia.

African-American Museum	Seattle	\$700,000
McIntyre Hall	Mount Vernon	\$350,000
Northwest Film Forum	Seattle	\$100,000
Historic Cooper School	Seattle	\$500,000
Merc Playhouse	Twisp	\$6,000
Masquers Theatre	Soap Lake	\$145,000
Cornish College of the Arts	Seattle	\$700,000
Dahmen Barn Workshop	Uniontown	\$79,000
Roxy Theatre	Morton	\$75,000
Duwamish Longhouse	Seattle	\$65,000
Everett Symphony	Everett	\$215,000
Admiral Theatre	Bremerton	\$180,000
Pratt Fine Arts Center	Seattle	\$300,000
Arlington Performing Arts	Arlington	\$375,000
Seattle Academy of Fine Art	Seattle	\$35,000
Academy of Children's Theatre	Richland	\$150,000
Empire Theatre	Tekoa	\$25,000
Children's Museum	Spokane	\$75,000
World Kite Museum	Long Beach	\$115,000
McCaw Hall	Seattle	\$1,000,000
KidsQuest Children's Museum	Bellevue	\$200,000

2005-2007 BIENNIUM APPROPRIATIONS

Artspace (Tashiro Kaplan)	Seattle	\$300,000
Broadway Center	Tacoma	\$400,000
Children's Museum	Everett	\$200,000
Columbia City Gallery	Seattle	\$110,000
Cornish College	Seattle	\$700,000
Friends of Gladish	Pullman	\$37,000
Historic Cooper School	Seattle	\$32,000
Lincoln Theatre	Mt. Vernon	\$110,000
Olympic Theatre Arts	Sequim	\$265,000
Orcas Sculpture Park	Eastsound	\$15,000
Pacific Northwest Ballet	Bellevue	\$268,000
Pratt Fine Arts Center	Seattle	\$700,000
Richland Players Theatre	Richland	\$51,000
S'Klallam Longhouse	Kingston	\$200,000
Seattle Art Museum	Seattle	\$700,000
Squaxin Island Museum	Shelton	\$100,000
Vashon Allied Arts	Vashon	\$80,000
Velocity Dance Center	Seattle	\$35,000
Western WA Center/Arts	Port Orchard	\$165,000

2003-2005 BIENNIUM APPROPRIATIONS

**2001-2003 BIENNIUM
APPROPRIATIONS**

Arts West	Seattle	\$87,000
Broadway Center	Tacoma	\$50,000
CREATE	Newport	\$21,000
Empty Space Theatre	Fremont	\$29,000
Gallery One	Ellensburg	\$225,000
Gladish Center	Pullman	\$29,000
Hands On Children's Museum	Olympia	\$130,000
Harrington Opera House	Harrington	\$13,000
Historic Everett Theatre	Everett	\$350,000
Historic Seattle Preservation	Seattle	\$390,000
Holy Names Music Center	Spokane	\$50,000
IKEA Performing Arts Center	Renton	\$135,000
Lake Chelan Bach Fest	Chelan	\$38,000
Mount Baker Theatre	Bellingham	\$128,000
Music Works Northwest	Bellevue	\$475,000
Orcas Theatre	Eastsound	\$400,000
Seattle Art Museum	Seattle	\$1,000,000
Spectrum Dance Theatre	Seattle	\$78,000
Spokane Symphony	Spokane	\$230,000
Town Hall	Seattle	\$175,000
Youth Theatre Northwest	Mercer Island	\$117,000

**1999-2001 BIENNIUM
APPROPRIATIONS**

Arts West	Seattle	\$175,252
Bellevue Art Museum	Bellevue	\$836,125
Spokane Children's Museum	Spokane	\$41,472
Columbia Point Amphitheater	Richland	\$204,804
Columbia Theatre	Longview	\$50,168
Historic Everett Theatre	Everett	\$60,870
Filipino-American Hall	Bainbridge	\$21,405
Gladish Center for the Arts	Pullman	\$20,736
Harlequin Productions	Olympia	\$113,713
Harrington Opera House	Harrington	\$23,412
Woods House Conservatory	Wenatchee	\$36,121
Intiman Theatre	Seattle	\$254,182
International Glass Museum (Phase 2)	Tacoma	\$501,675
Kirkland Arts Center	Kirkland	\$6,622
Knutzen Theatre	Federal Way	\$276,256
Maple Hall	La Conner	\$90,302
People's Lodge	Seattle	\$170,570
Pottery Northwest	Seattle	\$82,275
Richard Hugo House	Seattle	\$33,445
Spokane Civic Theatre	Spokane	\$46,154
Tacoma Art Museum	Tacoma	\$836,125
West Olympic Council for the Arts	Forks	\$12,040

**1997-1999 BIENNIUM
APPROPRIATIONS**

Allied Arts of Whatcom County	Bellingham	\$19,000
Columbia Point Amphitheater (Phase 1)	Richland	\$45,000
Enumclaw Auditorium	Enumclaw	\$172,000
Evergreen City Ballet	Auburn	\$27,000
The Group Theatre (Phase 2)	Seattle	\$100,000
International Glass Museum (Phase 1)	Tacoma	\$500,000
Kirkland Performance Center (Phase 2)	Kirkland	\$217,000
Lopez Center for the Arts	Lopez Village	\$150,000
Museum of Northwest Art (Phase 2)	La Conner	\$39,000
On the Boards	Seattle	\$400,000
Pilchuck School	Stanwood	\$115,000
Princess Cultural Center	Prosser	\$115,000
Wenatchee Performing Arts Center	Wenatchee	\$3,000,000

PART 2: THE REVIEW PROCESS

2.1 LEED exemptions

All applicants are required to enter the LEED certification process or get an exemption. You may do the latter before applying for a BFA grant or as part of your application (see 1.5 on Page 8).

2.2 Application submissions

Applications must be postmarked or received by Friday, May 5, 2006 at 5 p.m.* We prefer that they be mailed rather than hand delivered. Please use the post office box address listed on the front page of these guidelines.

If hand delivered, your application must arrive at our office by 5 p.m. on the above deadline date (our street address is listed on Page 3).

In the interest of fairness, deadlines will be strictly observed and applications received after the deadline will be returned without review. Note that “postmark” refers to a United States Postal Service (USPS) postmark. Applications sent by facsimile machines (FAX) will not be accepted.

2.3 Preliminary review

After the submittal deadline, staff will review applications for eligibility and completeness. Those that are incomplete or do not meet eligibility standards will not be forwarded to the BFA Advisory Board for review.

Qualifying applications may also be ranked by staff using the scoring criteria listed on Page 12. Due to the large number of applications we receive, CTED reserves the right to not forward the least competitive proposals to the board for review.

2.4 Applicant notification

After the preliminary review, each applicant will receive written notification from CTED Capital Programs as to whether their project has been forwarded to the BFA Advisory Board.

Successful applicants will receive details about participation in a work session of the board. Applicants whose projects are not forwarded will be informed of the reasons in writing, and are encouraged to discuss with our staff how to prepare a more competitive grant for a future funding cycle.

2.5 Advisory board role

The BFA Advisory Board helps develop program policy, reviews applications, and recommends projects for funding. The board consists of volunteers from the public and private sectors with demonstrated expertise in funding, administering, or advocating for arts-related organizations. The director of the Washington State Arts Commission serves on the board as a voting, ex-officio member.

The BFA board includes grant officers from major foundations. The caliber of your application and presentation before the board could influence your project’s success with funding sources beyond our program.

The scoring criteria used by the BFA board is summarized on Page 12.

2.6 Appropriations process

The BFA board will forward its recommendations, in the form of a prioritized list, to the CTED director in the summer of 2006. If approved by the director, the list will be included in the

The BFA Advisory Board includes grant officers from major foundations. The caliber of your application and board presentation could influence your project’s success with funding sources beyond our program.

** In addition to submitting hard-copy materials, we require that you send us a completed application form as an email attachment. This is also due Friday, May 5 at 5 p.m. For details download the application template, which is posted on our website.*

Applicants that rank highest have usually raised more than 50 percent of their project budget. Those less far along in capital campaigns must show evidence of their ability to promptly raise all needed funds.

agency's 2007-2009 Capital Budget request, which is submitted to the governor's budget office. If approved by the governor, the list will be included in her 2007-2009 Capital Budget request.

The 2007 Legislature will make the final determination as to which projects, if any, will receive BFA grants, and the total amount of funds to be provided for the 2007-2009 Biennium. The governor must sign the capital budget before an appropriation is legally binding (for availability of funds, see 3.4, Page 14).

2.7 Testimony before board

The BFA Advisory Board is scheduled to convene a work session in Seattle on Thursday and Friday, June 22 and 23, 2006.

Applicants will be given time to offer testimony about their proposals and answer questions from board members. You are not required to attend in order to be considered for funding.

The allotted time will range from 10 to 20 minutes, depending on the number of applications forwarded to the board.

BFA SCORING CRITERIA AT A GLANCE

The BFA Advisory Board's funding recommendations are based upon the numerical rankings summarized below *and* qualitative factors that may include (but are not limited to) geographic distribution of funds, a fair representation among artistic disciplines, and the degree to which applicants have access to other funding sources. See the applicant readiness self-assessment (pages 17-18) for more information on scoring criteria.

POINTS ASSIGNED BY FORMULA — up to 40 points out of a total of 100

PERCENT OF PROJECT FUNDS RAISED – multiply percentage by .25 (up to 25 points)

DESIGN WORK STARTED – if yes, add 5 points

FUNDRAISING FEASIBILITY PLAN? – if yes, add 5 points *

PROJECT FEASIBILITY STUDY? – if yes, add 5 points *

* CTED Capital Programs reserves the right to not award points for submittals that fail to meet the standards listed in the 2007-2009 BFA Grant Application (which you can download from our website).

POINTS ASSIGNED BY REVIEWERS — up to 60 points out of a total of 100

PROJECT READINESS – up to 15 points

Financial and managerial ability to complete the proposed project by June 30, 2009.

ORGANIZATIONAL CAPACITY – up to 15 points

Financial and managerial ability to successfully run the completed facility.

PROJECT RESULTS – up to 15 points

The degree the project will increase the efficiency and/or quality of services provided.

COMMUNITY NEED – up to 10 points

Evidence of a clear need, and credibility of documentation.

STAKEHOLDER PARTICIPATION – up to 5 points

Evidence of building partnerships with relevant stakeholders.

HIGH-PERFORMANCE BUILDING BONUS POINTS — up to 10 extra points

Each applicant's high-performance building checklist total score is multiplied by .25 (regardless of whether the applicant receives a LEED certification exemption).

We strongly encourage concise, low-tech presentations with as few presenters, props, and handouts as possible. You can best respond to any board concerns about your project by allotting plenty of time for questions. Presenters should have nuts-and-bolts knowledge of the project and the application.

2.8 Apply now or wait?

The biennial nature of our funding cycles can make judgments about when to apply for a BFA grant more complex. CTED Capital Programs staff can help you think through your options.

The applications that rank highest are usually by organizations which have raised upwards of 50 percent of funds needed to complete their project. This is because BFA funds come from the sale of state bonds. When a grantee does not promptly spend its award, that ties up the state's bonding capacity.

The BFA Advisory Board has funded projects that were not as far along in their fundraising if they excelled in other respects (see box on Page

12). However, an applicant that is less far along in its capital campaign needs to show evidence of its ability to promptly raise all needed funds.

Be sure that your project's scope has solidified before you apply. If you are awarded funds, we cannot write a contract that significantly deviates from your application (see 3.1, Page 14).

2.9 Misrepresentation

Any organization that presents false or misleading information in their application will be disqualified. Such statements can color your organization's reputation not only with CTED but also with members of our board who are grant officers for some of the state's largest foundations.

2.10 Appeals

The decisions of CTED Capital Programs are final and non-appealable. However, staff would be happy to assist you in strategizing how to develop a more competitive application in the next funding cycle.

The scope of your project may not be significantly changed once you submit an application. This is one reason why you may wish to wait until the next grant cycle if your project is in an early stage of development.

Five ways to write an effective application

1. **Follow the directions.** That means answering the question we asked rather than the one you preferred, and not stapling your materials when we ask for paper clips. When in doubt as to what we want, be sure to ask us questions!
2. **More isn't better.** Please don't include in your application any materials not requested. Staff will discard them so board members aren't buried in paperwork.
3. **Don't apply if you aren't a good fit.** We have on our board grant officers from some of the state's leading foundations. Wasting their time by submitting a grant that clearly doesn't fit the intent of BFA may not be a good strategic move.
4. **Don't apply until you are ready.** As discussed in 2.8 (above), carefully think through your timing. Sometimes it is better to wait until the next round.
5. **Focus on relationship building.** Quite a few of our applicants who did not initially receive funding did so in a subsequent round. They were ultimately successful because they took the time to better understand the nuances of this grant program.

PART 3: CONTRACTING SPECIFICS

3.1 Funding restrictions

Funds awarded under this program originate from the sale of state capital bonds, and include no federal funds.

We are mindful of the management pressures faced by nonprofit organizations, and strive to administer BFA funds expediently and with a minimum of red tape. We do so within the policies and procedures established by the Legislature, the state Office of Financial Management, the Treasurer and the Office of the Attorney General. We must also comply with federal arbitrage regulations.

BFA awards are funded through an appropriation in the capital budget. A grant can only be spent by the designated organization for costs that fit the scope of work listed in the grant application. In other words, the application becomes a controlling document that guides how a grant can be spent.

3.2 Cost reimbursement

Capital budget funds are available on a reimbursement basis only, and cannot be advanced under *any* circumstances. For the purposes of this program, reimbursable costs are those that a contractor has already incurred and paid, or costs payable within 30 days.

We may reimburse grant recipients for costs incurred prior to the date a contract is executed, and as far back as July 1, 2004. The project start date must be accurately stated in the application in order for us to do so.

3.3 Matching funds

BFA grants may be used to pay up to 20 percent of *eligible* project costs

(see 3.13, Page 16); the remainder must come from *non-state sources*. Non-state matching funds may consist of cash on hand, documented pledge commitments, the value of land acquired specifically for the project, and in-kind contributions when properly documented.

Grantees may also include the proceeds of a letter of credit or other binding loan commitment as part of their non-state matching funds. The value of land used as non-state match must be supported by an appraisal performed by a certified professional appraiser.

3.4 Availability of funds

Funds are usually available mid-August to early September, but that can vary depending upon factors such as when the state budget is approved. A contract cannot be written until the awardee has met all funding conditions (see 3.5 below).

Contracts generally take three to four weeks to execute once the awardee provides us with all needed information. Contracts are developed on a first-come, first-served basis.

Due to these uncertainties, awardees are advised to talk with CTED Capital Programs staff before building state funds into their cash-flow projections.

3.5 Contracting conditions

Three requirements must be met before awardees can begin drawing down their grant funds.

■ Awardees must demonstrate in writing the financial capability to complete the project. This generally means that the entire amount of non-state matching funds must have been committed (but not necessarily in hand).

This is a reimbursement-style grant, and you can start drawing down funds only after all other money needed to complete the project has been raised (see 3.5). However, you can receive reimbursement for any eligible costs incurred as far back as July 1, 2004 (see 3.2).

■ Awardees must provide written evidence of site control, either through outright ownership of the subject property or a long-term lease (at least five years with an option to renew).

■ The projects of some awardees may be reviewed by the state Dept. of Archeology and Historical Preservation (DAHP). This review must be satisfactorily completed before a contract can be developed (see 3.7 below).

3.6 Documenting expenses

We reimburse contractors only after receiving copies of the original billing documents (invoices). We may, at our discretion, accept accounting ledger statements for minor, miscellaneous costs in lieu of original billing documents. In all cases, costs must be documented and auditable.

3.7 Archeological review

Some projects may need to be reviewed for archeological and cultural resources. This is required of projects not undergoing a Section 106 review under the National Historic Preservation Act if the project:

- disturbs ground, and/or
- involves structures more than 50 years old.

Projects that fit these criteria and are recommended for funding by the BFA Advisory Board will be given further information about the review process.

3.8 Prevailing-wage law

As a result of a recent court ruling, construction projects that receive any of our grants are required to pay state prevailing wages. Construction labor includes landscaping.

Acquisition-only projects are exempt from state prevailing wage law (RCW 39.12). Note that these projects must result in a usable facility.

The Department of Labor and Industries is the state agency that implements prevailing wage law. For more information, contact Industrial Statistician David Soma at 360/902-5330 or somd235@LNI.wa.gov

3.9 Close-out provisions

We have a few requirements once you've cashed out your grant. These include the purchase and installation of a donor plaque and the submittal of a close-out report. Your project may also be selected for site monitoring.

3.10 Reappropriations

Some grant recipients may not be able to expend all of their funds by the end of the 2007-2009 Biennium (June 30, 2009). Any unexpended funds will lapse unless reappropriated. Although not legally obligated to do so, the Legislature generally reappropriates unspent funds for long-term capital projects such as those funded through BFA.

Prevailing wages are now required of all construction projects funded by this grant program (see 3.8).

BFA grants are charged an administrative fee

CTED Capital Programs is authorized to retain up to 3 percent from each award to cover all administration costs (this is our sole source of funding; we receive no state General Fund dollars). For the 2005-2007 Biennium we retained 2 percent from competitive grants such as those offered by BFA. As you build your project budget, keep in mind that the net grant amount would be slightly less than the legislative appropriation.

When completing your application, remember that your state match is calculated from total eligible costs, which may differ from your total project costs.

3.11 Rescinding funds

If an organization does not begin drawing down its funds within 12 months of the start of the biennium (by July 1, 2008), we reserve the right to rescind that group's authorization and reallocate the funds to the next organization on the BFA award list. If this occurs, the organization may reapply for funding in future grant cycles.

3.12 Change of ownership

Most of the capital projects constructed with state funds require that the facility or project be held by the contractor for a period of time appropriate to the amount of the state grant (in most cases a minimum of 10 years), and that the facility or project be used for the same purpose expressed in the enabling legislation or contract.

3.13 Eligible costs

Capital budget funds may generally be used to pay for the following construction-related expenses incurred as far back as July 1, 2004:

- design, architectural, and engineering work;
- building permits/fees;
- archeological/historical review;
- construction labor and materials;
- demolition/site preparation;
- capitalized equipment;
- information technology infrastructure (cables and wiring);

- construction management (*from external sources only*)*;
- initial furnishings**;
- landscaping, and
- real property when purchased specifically for the project, and associated costs.***

3.14 Ineligible costs

All of our grants are intended to fund bricks and mortar. This is why the following costs are not eligible for reimbursement and *cannot be used to match state funds*:

- internal administrative activities;
- project management (from any sources);
- fundraising activities;
- feasibility studies;
- computers or office equipment;
- rolling stock (such as vehicles);
- lease payments for rental of equipment or facilities;
- property leases (including long-term); and
- the moving of equipment, furniture, etc., between facilities.

3.15 Loan paydowns

BFA grants *cannot* be used to retire existing debt except when it is directly related to a project being considered for funding in the current grant funding cycle. In other words, a construction or bridge loan is an eligible expense only if it was incurred after July 1, 2004 as part of your project.

* **Construction management and observation** is on-site management and/or supervision of the work site and workers thereon. This is an eligible project cost. Construction management does not include work typically performed by off-site consultants or consultant organizations, grant writers, project managers, or employees of the grantee, unless the employee is hired solely and specifically to perform on-site construction management as defined above.

** **Furnishings and equipment** are considered eligible project costs as long as the average useful life of the item purchased is 13 years or more.

*** **Costs directly associated with property acquisition** include appraisal fees, title opinions, surveying fees, real estate fees, title transfer taxes, easements of record, and legal expenses.

PART 4: BFA GRANT APPLICANT READINESS SELF-ASSESSMENT

Step 1 will help you assess whether your project is eligible for a grant during the current funding cycle. Step 2 is a self-diagnosis exercise. It **cannot** predict how we will rank your project, because that depends on currently unknown variables such as the number and quality of other applications that will be submitted. In addition to the scoring criteria listed in Step 2, the BFA Advisory Board may also consider qualitative factors (see box on Page 12). However, by carefully studying this readiness self-assessment, you can better anticipate the questions that will be asked by our reviewers.

Step 1: Are you eligible for a BFA grant?

- | | |
|---|--|
| <p>1.1 Is your project operated through a nonprofit organization with current 501(c)3 Internal Revenue Service registration?
Yes ___ Advance ruling ___ No ___</p> <p>1.2 Is your organization also registered in the state of Washington as a nonprofit corporation dedicated to arts-related or cultural purposes?
Yes ___ No ___
<i>(You must say "yes" unless you are a partnership in an under-represented area; see 1.2 on Page 6).</i></p> <p>1.3 Does your organization have a legally constituted board of directors?
Yes ___ No ___</p> <p>1.4 Do you have control of the facility through either:
A. ownership of the site? Yes ___ No ___
B. a long-term lease (five years min. with an option to renew)? Yes ___ No ___
<i>(You must say "yes" to one of the above options as of the date you submit the application.)</i></p> <p>1.5 Has your organization either:
A. secured all funding needed to complete the project, or Yes ___ No ___
B. made substantial progress in an active capital fundraising campaign dedicated to the project? Yes ___ No ___
<i>(You must say "yes" to one of the above options as of the date of the application submission.)</i></p> <p>1.6 Will the facility have significant public access?
Yes ___ No ___</p> | <p>1.7 Is your project an arts-related facility such as a performing arts center, an art museum, or a cultural facility (e.g., a Native American longhouse)?
Yes ___ No ___</p> <p>1.8 Does your project include major new construction or renovation? Minor work such as general repairs or ADA upgrades are not eligible for funding (see 1.1 on Page 5).
Yes ___ No ___</p> <p>1.9 Will you enter the LEED certification process with the goal of meeting the silver standard?
Yes ___ No ___
If you answered "no," have you received an exemption from CTED Capital Programs?
Yes ___ No ___
<i>(You must enter LEED or have an exemption to be eligible for a BFA grant. You may apply for an exemption with your grant application or prior to its submittal (see 1.5 on Page 8).</i></p> <p>2.0 If your project includes any new construction or renovation, are you paying state prevailing wages for all labor costs (see 3.8 on Page 15)?
Yes ___ No ___</p> <p>2.1 Is your project a community center? This type of facility is not eligible for BFA funding (see 1.2 on Page 6).
Yes ___ No ___</p> <p>2.2 Is your project an acquisition of bare land that does <i>not</i> include construction of a facility? This kind of project is ineligible for BFA funding (see 1.1 on Page 5).
Yes ___ No ___</p> |
|---|--|

To be eligible for funding, you must have answered "yes" to questions 1.1 through 2.0 and "no" to questions 2.1 and 2.2. Each question represents an eligibility standard that must be met at the time your application is submitted. If you are unsure about how to answer a question, contact CTED Capital Programs staff.

Step 2: How competitive is your grant proposal?

The following questions are drawn from the selection criteria used by BFA reviewers to rank eligible applications (see box on Page 12). Applicants can earn up to 100 regular points, and up to 10 additional "high-performance building" bonus points.

2.1 POINTS ASSIGNED BY FORMULA <i>(up to 40 points out of a total of 100)</i>	POINTS
a. Percent of project funds raised – multiply it by .25 (up to 25 points)	_____
b. Design work started – if yes, 5 points	_____
c. Professionally prepared <i>fundraising</i> feasibility plan completed – if yes, 5 points	_____
d. Professionally prepared <i>project</i> feasibility study completed – if yes, 5 points	_____
2.2 REVIEW PANEL SCORING CRITERIA <i>(up to 60 out of a total of 100 points)</i>	
a. PROJECT READINESS – <i>Ability to complete the proposed project promptly (up to 15 points).</i> Will your project have a reasonable chance of completion by the biennium's end (June 30, 2009)? How realistic is the fundraising timeline? Is the project free of public debates that could delay it?	_____
b. ORGANIZATIONAL CAPACITY – <i>Ability to effectively run the completed facility (up to 15 points).</i> How strong is your organization's financial and service-delivery track record? What is the average annual attendance at your events? How realistic is your assessment of the financial and managerial challenges of running the completed facility? Have you done an operations (business) plan? If project is a partnership, how stable is it? How transparent is the financial relationship?	_____
c. PROJECT RESULTS – <i>Degree project will increase efficiency/quality of activities (up to 15 points).</i> How significantly will the facility increase the efficiency and/or quality of services provided, measured in terms of outputs (quantities such as attendance) or outcomes (qualities such as the difference the facility will make in the lives of its patrons)? If a mixed-use project, to what degree is it focused on eligible arts-related activities?	_____
d. COMMUNITY NEED – <i>Evidence of a clear and compelling community need (up to 10 points).</i> How significant is the need? How well documented is your needs assessment? How much emphasis does the project place upon serving ethnic groups, senior citizens, persons with disabilities, and disadvantaged or at-risk youth? Is there a big enough market to support the facility?	_____
e. STAKEHOLDER PARTICIPATION – <i>Partnerships with relevant stakeholders (up to 5 points).</i> What is the applicant's demonstrated commitment to building partnerships with other stakeholders relevant to the targeted need (e.g., as expressed by the diversity of the applicant's board of directors)?	_____
2.3 HIGH-PERFORMANCE BUILDING BONUS POINTS <i>(up to 10 extra points added to your total score)</i>	
Take the total score on your high-performance building checklist and multiply it by .25. You receive these bonus points regardless of whether you have been given an exemption from entering the LEED certification process.	_____

What's a competitive score? *No one can predict that before applications are turned in, but this scoring sheet can help you diagnose the strengths and weaknesses of your project. Once you've read through the guidelines and completed this self-assessment, we would encourage you to talk with Capital Programs staff.*

**TOTAL
POINTS**

FREE HIGH-PERFORMANCE BUILDING WORKSHOPS FOR NONPROFITS

These **free**, hands-on workshops will help you to integrate high-performance design standards into your project. The workshops will begin by providing an overview of the new state law and how it applies to CTED Capital Programs grants. Then presenters will offer creative and cost-effective ideas for meeting each element of the LEED certification process.

These workshops are free, but **you must register in order to guarantee a complete information packet**. Seating is limited, so register soon! You can register online at www.cted.wa.gov/CapitalPrograms, or you can fill out the registration form below and mail it to CTED Capital Programs, P.O. Box 42525, Olympia, WA 98504-2525.

You are encouraged to bring your architect and/or other key members of your design team.
Please fill out a separate registration form for each person attending.

Workshop attending: 9 a.m.-3 p.m., **Thursday, March 30, 2006 @ Moses Lake** ☐
 9 a.m.-3 p.m., **Friday, March 31, 2006 @ Olympia** ☐

Name: First _____ Last: _____

Title: _____

Organization: _____

Address: Street/PO _____

 City _____ Zip code _____

Email: _____

Date you are registering: _____

The Moses Lake workshop will be held at Big Bend Community College, Room 1870C. Lunch is not provided as part of the workshop, but there is a college cafeteria or you can drive to nearby restaurants. Parking is available off 28th Avenue as well as along the side of Building 1800. Directions to Big Bend Community College Advanced Technologies Education Center can be obtained at: <http://www.bigbend.edu/About+Big+Bend/Directions+and+Maps/>

The Olympia workshop will be held in the General Administration Building Conference Room, 210 11th Avenue SW, Olympia. Lunch is not provided as part of the workshop, but a cafeteria is located in the nearby Legislative Building, and numerous Olympia restaurants are within walking distance. Metered parking is available on the street or on the upper floor of a lot across Columbia Street. The Department of General Administration has a web page titled "Visitor Parking on Capitol Campus," along with a map, at: <http://www.ga.wa.gov/Campus/parking.htm>

- Get your questions answered
- Learn from other applicants
- Meet CTED Capital Programs staff

AT BUILDING FOR THE ARTS GRANT WORKSHOPS

Join us for a grant application workshop. These free workshops — offered in both Eastern and Western Washington — will consist of a brief presentation about Building for the Arts (BFA), followed by a step-by-step review of the application process, and a question-and-answer period. Because of numerous changes in BFA rules and procedures, we would strongly encourage even seasoned grant writers to attend.

Western Washington Workshop (Seattle)

Monday, April 3, 2006
1-4 p.m.
Red Lion Seattle South
Duwamish Room
11244 Tukwila International Blvd.
Seattle

For directions & parking information:

206/762-0300
<http://redlion.rdln.com/>

Eastern Washington Workshop (Moses Lake)

Thursday, April 6, 2006
1-4 p.m.
Moses Lake Convention Center
Rocky Ford Room
1475 Nelson Road NE
Moses Lake

For directions & parking information:

509/766-1416
<http://www.moseslakeecc.com/visitor.html>

CTED Capital Programs

Mailing address: P.O. Box 42525, Olympia, WA 98504-2525

Main phone: 360/725-3020

Email: Caprograms@cted.wa.gov

Web: www.cted.wa.gov/CapitalPrograms

Listserv: <http://listserv.wa.gov/archives/capital-programs.html>